



TEXAS HEALTH AND HUMAN SERVICES COMMISSION

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COMMISSIONER

TO: All Interested Parties

FROM: Jason Cooke
State CHIP Director

SUBJECT: Unspent federal CHIP matching funds

DATE: July 17, 2000

Recent media coverage of the amount of available federal CHIP matching funds going unspent has focused on the \$449 million of Texas' 1998 allotment that will remain with the federal Treasury based on current spending projections.

Several important points have not come through clearly in the news stories:

- Each state was allotted funds for 1998 based on the number of low-income uninsured children in the state.
- Those funds were to be available for FY 1998 and the two succeeding fiscal years.
- On average, the 37 states that have not spent their full 1998 allotments are leaving more than half of their available federal matching funds in the US Treasury.
- That fact does not reflect poorly on the states; rather, it clearly indicates that the federal government did not accurately project what would be required for state implementation.
- HHSC has urged Senators Gramm and Hutchison to support S. 2434, federal legislation which would give Texas and other states continued access to their 1998 allotments of matching funds through fiscal year 2002 (September 30, 2002).

Again, Texas' CHIP program is going strong and is enrolling more children every day. As of close of business last Saturday, 46,986 had enrolled and another 35,392 eligible children were in the process of choosing their health plans.